

economy, particularly the depreciation of the yen, have all produced a very negative impact on China's imports, exports and inflow of investment funds, and increased pressure on the restructuring of our country's economic system."

This points to the need for rapid action in Japan to pass its fiscal stimulus package and perhaps to go further to prevent recession. In this crisis, Japan should be importing and growing; if it slumps and devalues its currency we can expect the situation to worsen.

And we in the United States must act sensibly and seriously. Our open market is as important to recovery as the currency commitments by China and Hong Kong. So far, we have not given in to fears or temptations to reduce imports as our exports to Asia have fallen, and that should continue. We must pass our IMF replenishment, as the Senate has done. And we should give a strong endorsement to China's MFN status. As Ms. Chan said on arrival to the United States, revoking MFN status:

"[W]ould not only deal a devastating blow to business confidence in Hong Kong when we are grappling with the fallout from the regional turmoil, it would also undermine our ability to continue to play the role of firewall in the Asian financial crisis. Eventually it would take away a powerful line of defense in the economies of the region. None of us, including the United States, can afford another wave of uncertainty."

As this comment indicates, our annual debate over MFN status has become a pointless and essentially destructive affair. It does nothing to promote human rights, political reform or better security policies in China; instead it threatens jobs here and economic stability in Hong Kong and China. And that brings me to the second point: our economic relationship with China, and in particular to China's accession to the WTO.

As Governor Dai's comments indicate, China is by no means immune from this crisis. Its growth rate has fallen; its export growth rates dropped by nearly half; and foreign investment in China is off. These are some of the early warning signs we saw in Southeast Asia two years ago. And that should worry us—because today's China is not so different from yesterday's Southeast Asia.

China has some advantages that its neighbors lacked. It has more fixed investment, less short-term debt, and larger foreign currency reserves than its neighbors. But it also has many of the problems they had before the crisis. We see a level of bad debts about the same, or even higher, as Thailand had before a year ago. We see nepotism, corruption and intimate ties between big business and the state; politically directed loans to unnecessary industrial policy projects in fiber optics, semiconductors, autos, and other areas; property bubbles in the big cit-

ies; foreign investment dropping; and early signs of an economic slowdown that could worsen if the Asian crisis deepens. And all this is combined with a brittle political system, intolerant of opposition and with only a weakly developed rule of law, that in the event of crisis may not offer China the flexibility it needs to get through economic difficulties without a social upheaval.

Part of the answer must be political reform. China has a good example, inside its own political borders, with Hong Kong's strong rule of law and open society in a Chinese society; and when the one-country, two-systems formula comes to an end in 2047, political development in China may be its most important legacy. But in the short term, the economic reforms WTO accession will bring are equally crucial for China's economic health.

WTO accession, on the commercially meaningful basis we should expect, will reduce subsidies and break the links between ministries and their semi-privatized profit-making offspring. Promote open competition at the expense of rigged markets. And strengthen the rule of law. This will produce a more rational economy which is more open to imports; has less interference by ministries in the market; which is run more by the rule of law than by informal connections; and offers more freedom for ordinary Chinese to determine their own future. And in the long run it will help ensure that China has a stable, sustainable economy.

So as President Clinton's state visit approaches—and in its aftermath if necessary—we should push as hard as we can to reach a commercial meaningful agreement. We must not accept less than we should; that would be unfair to our own country and it would mean little to China. But we should work hard to get the job done right. And of course, when it happens we should live up to our responsibilities by granting China permanent MFN status.

Finally, let me turn back to the first Hong Kong—the one that is simply a city.

A year after the transition, Hong Kong faces an extraordinary array of challenges. It is at the eye of an economic storm worse than any Asia has faced since the Vietnam War. It is adapting to a political role unique in China and probably unique in the world. And its own government and constitution are very new.

These challenges might bring a lesser city to its knees. But Hong Kong has handled them about as well as anyone could have. And beyond that—as far as I can tell from ten thousand miles away—it has grown because of them.

Last May's election, to me, indicates that the ordinary Hong Kong people understand how important a responsibility history has given them this year. The qualities we have always associated with Hong Kong—hard work, good humor, honest government—have been amplified by growing civic responsibility, democratic participation and political maturity.

In summary, a year after the transition, Hong Kong has defended its rights; acted to good effect in an economic crisis; and can look ahead with confidence. And as President Clinton prepares for the first visit any sitting American President has ever made to Hong Kong, he is going to a city whose future is bright.●

RETIREMENT OF GENERAL EUGENE E. HABIGER

● Mr. KERREY. Mr. President, the country has recently lost to retirement its commander in chief of the United States Strategic Command, General Eugene E. Habiger, USAF, and his wife, Barbara. General Habiger has taken the United States and the U.S. Strategic Command into a new world environment. With the end of the Cold War, two rivals were uncertain how to proceed. Under General Habiger's leadership, the former Soviet Union and United States strategic forces have developed a trusting, confident understanding of the other's capabilities and operations.

During his tenure, General Habiger's insightful leadership and visionary initiatives revolutionized the readiness and flexibility of the Nation's strategic deterrent force in support of the National Command Authorities and regional combatant commanders. He made major contributions to the national security of the United States by establishing parameters for future strategic forces; by leading a stable drawdown of nuclear forces; by fostering mutual understanding and cooperation with Russia; and by shaping the process by which the United States maintains the long-term safety and reliability of its nuclear weapons stockpile. New tools and concepts developed under General Habiger's leadership ensured strategic forces remained safe, effective, ready and responsive to changing world needs.

As stated in a letter from General Henry H. Shelton, Chairman, Joint Chiefs of Staff, General Habiger "helped Americans more fully appreciate the important strategic mission, improved the relationship with Russia, and molded future leaders who will ably take the USSTRATCOM mission into the 21st Century." From the early days as a student pilot at Williams Air Force Base, Arizona, to commander of the 325th Bombardment Squadron, General Habiger was an outstanding aviator and leader. A command pilot with more than 5,000 flying hours, he flew combat missions in support of ARC LIGHT operations in Southeast Asia from October 1969 to April 1970. The general's varied and vast contributions to the nation's strategic defense and his many critical command positions helped secure peace through strength and make the U.S. Air Force the world's best.

We also lose a tremendous supporter and friend in his wife, Barbara. Barbara's extraordinary voluntary contributions to the community of Omaha,

Nebraska contributed to the well being of countless military and civilian families in the area. As an active member of the Salvation Army Advisory Board, her efforts touched thousands through dollars raised during the Tree of Lights and Bell Ringers programs. Her work with the Nebraska Council for Drug and Alcohol Abuse Prevention and the Western Heritage Museum helped ensure the effectiveness and success of these vital organizations. The Henry Doorly Zoo benefitted from Barbara's volunteerism, as she led efforts to help raise nearly one million dollars for the care and feeding of the zoo's animals.

General and Mrs. Habiger leave the military after a distinguished 39 year career serving their nation. The people of the United States salute General and Mrs. Habiger and wish them well as they begin their lives after military service.●

THE 150TH ANNIVERSARY OF THE CHURCH OF ST. JOSEPH-ST. THOMAS

● Mr. MOYNIHAN. Mr. President, I rise to offer my congratulations on the occasion of the 150th Anniversary of the oldest Catholic church in continuous existence on Staten Island, the Church of St. Joseph-St. Thomas. Evolving out of a small Catholic community in Rossville, the church has improved New York's quality of life for generations and is an integral part of the Staten Island community.

The impact this parish has had on its community is remarkable. Both in times of prosperity and in times of despair, the contributions of the pastors and congregants of St. Joseph-St. Thomas have profoundly affected the residents of Staten Island. The parish has provided education for children, held community gatherings and helped the disadvantaged.

The leaders of St. Joseph-St. Thomas have been responsible for much of this tradition of community involvement. Though I will not name all of the former pastors here, I would like to mention two. Father Edward A. Dunphy's established child-care programs for immigrants during the 19th century. These first Catholic child-care facilities helped maintain the devotion to Catholicism within Staten Island's immigrant community. During the Great Depression, Father Thomas S. Magrath cut church expenses to relieve parishioners' financial burdens. All the while, he developed projects and programs to feed and shelter the suffering.

Today this spirit of helping those in need lives on with Monsignor Peter G. Finn and the church's involvement in such programs as Project Hospitality and the St. Vincent De Paul Society.

With appreciation and admiration I extend my best wishes to the Church of St. Joseph-St. Thomas. Its 150th Anniversary is cause for much celebration and anticipation of even greater accomplishments to come.●

PRIVILEGE OF THE FLOOR

Mr. ENZI. Mr. President, I ask unanimous consent that my legislative assistant, Mr. Spear, be granted the privilege of the floor for the remainder of the evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION COMPLIANCE ASSISTANCE AUTHORIZATION ACT

Mr. ENZI. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2864, which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2864) to require the Secretary of Labor to establish a program under which employers may consult with State officials respecting compliance with occupational safety and health requirements.

The Senate proceeded to consider the bill.

Mr. ENZI. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2864) was read the third time and passed.

OCCUPATIONAL SAFETY AND HEALTH ACT

Mr. ENZI. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2877, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2877) to amend the Occupational Safety and Health Act of 1970.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. KENNEDY. Mr. President, I would like to ask my colleague from Wyoming to help me clarify the intent of H.R. 2877 as it relates to evaluating the performance of employees. Several States with OSHA-approved State plans have expressed concern that the language regarding "the results of enforcement activities" could prevent them from considering the quality of an enforcement officer's reports or recommendations; the percentage of cases which are upheld or overturned in legal proceedings; the timeliness of case completion; the comprehensiveness of evaluations; and other legitimate means of evaluating employee performance.

Contrary to this very broad interpretation, it is important to point out that the authors of the bill read much more narrowly the language prohibiting OSHA from evaluating employees based on "the results of enforcement activities, such as the number of citations issued or penalties assessed." When H.R. 2877 was originally introduced, it prohibited the Secretary of labor from establishing "any performance measures for any subordinate" within OSHA "with respect to the number of inspections conducted, citations issued, or penalties assessed." After the administration expressed concerns that the language could adversely impact the ability of OSHA supervisors to assign inspection work and ensure employee productivity and accountability, new language was negotiated. The intent of that language, which is contained in the version of H.R. 2877 that we are about to pass, was intended to prevent OSHA from establishing any quota or goal requiring OSHA inspectors to assess a specific number or amount of penalties. Clearly, Congress would not want to prevent OSHA from ensuring that the penalties actually assessed by its inspectors are legally valid, based on true and accurate information, and issued in a timely, professional manner.

Does the Senator agree with me that the "results" referred to in the legislation refer to whether an OSHA inspector is evaluated on a specific quota or goal regarding the number of citations issued or penalties assessed, rather than the other means I have outlined?

Mr. ENZI. Yes, I agree with the analysis of my colleague from Massachusetts.

Mr. KENNEDY. I would like to present my colleague with three examples to illustrate the intent of H.R. 2877. First, assume an OSHA inspector uses falsified inspection results to justify and recommend the issuance of citations and penalties against one or more employers. Does the language in H.R. 2877 allow OSHA to negatively evaluate the inspector and proceed to dismiss him or her?

Mr. ENZI. Absolutely. OSHA must have the right to discipline such an employee and evaluate him or her accordingly.

Mr. KENNEDY. What about an inspector who, in the course of a year, conducts one tenth of the inspections conducted by the average inspector? The inspector finds no violations in any of the inspections he or she conducts, leading the inspector's supervisor to suspect that the inspector may be failing to identify serious hazards in at least some of those workplaces. Does H.R. 2877 allow OSHA to examine these circumstances to ascertain whether the employee is adequately performing his or her duties?

Mr. ENZI. Yes, it does. Such evaluations are fundamental to measuring employee performance.

Mr. KENNEDY. If an inspector's citations and penalties are consistently